

## Message Text

CONFIDENTIAL

PAGE 01 EC BRU 03206 010048Z  
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08  
FRB-03 INR-07 NSAE-00 SP-02 STR-04 TRSE-00 LAB-04  
SIL-01 OMB-01 L-03 NEA-10 AGR-05 ( ISO ) W  
-----012233Z 018727 /61

R 311712Z MAR 77  
FM USMISSION EC BRUSSELS  
TO SECSTATE WASHDC 3429  
INFO ALL EC CAPS  
AMEMBASSY VALLETTA

C O N F I D E N T I A L EC BRUSSELS 03206

E.O. 11652: GDS  
TAGS: PFOR, EEC, MT  
SUBJECT: EC-MALTA RELATIONS

REF: EC BRUSSELS 1036

1. SUMMARY: EC COMMISSION OFFICIAL IS CAUTIOUSLY OPTIMISTIC THAT EC-MALTA NEGOTIATIONS LATER THIS SPRING ON NEXT STAGE IN THEIR ASSOCIATION AGREEMENT, DUE TO TAKE EFFECT IN JULY, WILL GO SMOOTHLY. HE SAID HE UNDERSTANDS THAT WHILE ITALIAN-FRENCH DISCUSSIONS RELATING TO MINTOFF PROPOSALS FOR EURO-ARAB GUARANTEE OF MALTA'S NEUTRALITY ARE CONTINUING, FRENCH HAVE TO DATE BEEN UNENTHUSIASTIC. END SUMMARY.

2. DESK OFFICER FOR MALTA IN EC COMMISSION'S DG-I -- WHO DISCUSSED EC-MALTA RELATIONS WITH MALTESE IN VALLETTA TWO WEEKS AGO AND WITH MALTESE AMBASSADOR TO THE EC LAST WEEK -- TOLD MISSION OFFICER MARCH 30 THAT CONTRARY TO THE PORTENTS WHEN THEY TALKED ABOUT EC-MALTA RELATIONS IN EARLY FEBRUARY (REFTEL), HE NOW THINKS THAT BARRING SOME NEW DEMAND BY THE "ALWAYS UNPREDICTABLE" MALTESE, EC-MALTA NEGOTIATIONS DESIGNED TO IMPLEMENT THE NEXT STAGE IN  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 EC BRU 03206 010048Z

ASSOCIATION AGREEMENT (ENVISAGING EVENTUAL CUSTOMS UNION) SHOULD PROCEED QUICKLY. COMMISSION OFFICIAL SAID THAT NEGOTIATIONS WILL FOR MOST PART REVOLVE AROUND TREATMENT OF MALTESE TEXTILES AND PROCESSED GOODS IN EC MARKETS. HE THOUGHT EC COUNCIL WOULD LIKELY ADOPT A NEGOTIATING MANDATE AT ITS APRIL 5 MEETING AND THAT NEGOTIATIONS COULD BEGIN LATER IN APRIL.

3. COMMISSION OFFICIAL SAID THAT IN RESPONSE TO FIRM NEGATIVE LINE TAKEN BY COMMISSION IN RECENT DISCUSSIONS, THE MALTESE HAVE NOW DROPPED THEIR EARLIER STRONG DEMAND FOR EC FINANCIAL ASSISTANCE BEYOND THE 26 MILLION UNITS OF ACCOUNT (U.A.) NEGOTIATED IN A FINANCIAL PROTOCOL LAST YEAR. HE SAID COMMISSION HAD MADE ITS POSITION PALATABLE BY AGREEING TO "FRONT-END LOAD" THE IMPLEMENTATION OF THAT FINANCIAL PROTOCOL, WHOSE RATIFICATION BY EC MEMBER STATE GOVERNMENTS SHOULD BE COMPLETED IN THE FIRST HALF OF 1978. COMMISSION SUGGESTED MALTESE GOVERNMENT GO AHEAD NOW WITH ITS OWN RESOURCES AND IMPLEMENT INDUSTRIAL PROJECTS ENVISAGED UNDER THE FINANCIAL PROTOCOL ON THE UNDERSTANDING THAT THE COMMUNITY WOULD MAKE UP TO HALF ITS 26 MILLION U.A. AVAILABLE WITHIN THE FIRST YEAR OF THE FINANCIAL PROTOCOL'S ENTRY INTO FORCE.

4. COMMISSION OFFICIAL SAYS MINTOFF, LOOKING TO DEPARTURE OF BRITISH IN EARLY 1979, HAD COMMENTED TO EC COMMISSION TEAM VISITING MALTA TWO WEEKS AGO, "I NEED MONEY AND I DON'T KNOW WHERE TO TURN." IN REPLY TO MISSION OFFICER'S QUESTION, EC OFFICIAL SAID THAT WHILE ITALIAN-FRENCH EXAMINATION OF MINTOFF PROPOSAL REGARDING MALTESE NEUTRALITY AND EURO-ARAB GUARANTEES IS CONTINUING, HE UNDERSTANDS THAT TO DATE THE ITALIANS HAVE BEEN UNABLE TO AROUSE MUCH FRENCH INTEREST OR ENTHUSIASM (HIS READING OF FRENCH VIEWS WAS NOTICEABLY MORE NEGATIVE THAN THAT PROVIDED BY QUAI OFFICIAL AS REPORTED IN EMBASSY PARIS 7501). COMMISSION OFFICIAL UNDERSTANDS THAT FRENCH ARE WORRIED

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 EC BRU 03206 010048Z

ABOUT THE IMPLICATIONS OF THE MINTOFF PROPOSAL FOR SECURITY/STABILITY IN THE MEDITERRANEAN, SINCE UNDER THE NEUTRALITY PROPOSAL LIBYA WOULD PRESUMABLY HAVE THE RIGHT TO USE MALTESE REPAIR AND BUNKERING FACILITIES. COMMISSION OFFICIAL SAID THE FRENCH ALSO CONSIDER MALTA A "MESS" ECONOMICALLY AND ARE WARY OF WHAT THE GUARANTOR ROLE MIGHT COST THEM. HINTON

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NEGOTIATIONS, RELATIONS WITH REGIONAL ORGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 31-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977ECBRU03206  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770113-0742  
**Format:** TEL  
**From:** EC BRUSSELS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t1977034/aaaaacwn.tel  
**Line Count:** 104  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 9ab4d4b4-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 EC BRUSSELS 1036  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 01-Dec-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3048955  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EC-MALTA RELATIONS  
**TAGS:** PFOR, MT, EEC  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/9ab4d4b4-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009